



Offering Envelope Association

(United States and Canada)

RECEIVED

2015 JUL 29 A 10:13

OFFERING ENVELOPE ASSOCIATION

625 Creekside Way
Suite 1905
New Braunfels, TX 78130
James Cline
Executive Secretary
Phone: 830.302.2011
jcline@envelopeservice.co

MEMBERS

Cathedral Corporation
Creamer Printing
D. P. Murphy Company
Mission Envelope
National Church Solutions
F. J. Remey Company
The Hermitage Art
Fred F. Waltz Company
Wilson and Wilson

VENDOR PARTNERS

Domtar Paper Co.
ecoEnvelopes
Fairrington Transportation

Mission Statement

The purpose of the OEA is to provide a forum for the needs and education of its membership, allowing each member the opportunity to promote, supply and distribute church offering envelopes and related services to its customers, which foster stewardship and spiritual growth.

Commission Secretary
Postal Regulatory Commission
901 New York Avenue, N.W.,
Suite 200
Washington, D.C. 20268-0001

Re: Docket Nos. R2013-11 and R2015-4

Dear Secretary:

The purpose of this letter is to offer our comments on the above-mentioned request for an exigent rate adjustment that is now before the Postal Regulatory Commission ("Commission"). The Offering Envelope Association rarely comments on rate or regulatory matters. However, given the negative impact these price adjustments and exigent surcharges will have on our members and their customers, we are compelled to provide our point of view.

Background

The Offering Envelope Association was established in 1945. The companies that form the membership of the Offering Envelope Association have been supporting non-profit organizations for over 100 years. Over the course of its history, the Offering Envelope Association has stayed true to its mission - to promote, supply, and distribute church offering envelopes and related services to its customers, while fostering stewardship and spiritual growth across its members.

The members of the Offering Envelope Association touch every religious denomination across the United States and its territories and use the United States Postal Service ("Postal Service") to reach all of their customers. Across its membership, the Offering Envelope Association distributes over \$96 million dollars in offering envelopes on an annual basis. In addition to offering envelopes, members distribute special mailings and increased offertory programs, which account for sales of \$40 million annually.

Basis of Our Concerns

The Offering Envelope Association has great respect for the work of the Postal Service and Commission and understands that the current matters represent an important precedent for the future. It is vital that the Offering Envelope Association ensure that practices created today do not hinder the ability for its members and the non-profit organizations to function effectively. Accordingly, the Offering Envelope Association must oppose the price adjustments and exigent surcharges that are currently under review by the Commission. If these hikes to standard mail rates become permanent, the use of mail through the Postal Service will no longer be feasible for non-profit organizations.



Offering Envelope Association

(United States and Canada)

In Order No. 1926, the Commission conditioned its approval of the exigent surcharge upon removal of that surcharge once it was estimated to have generated additional contribution equivalent to the amount that the Commission determined was the contribution lost due to the 2008 recession. Accordingly, it is the Commission's responsibility to ensure that the Postal Service does not gain an unjustified windfall if the surcharge is continually extended or made permanent. Failure to do so would result in the Offering Envelope Association's members being subject to surcharge payments that, if later found unwarranted, could not be recovered.

An increase in rates for standard mail, through market-dominated price adjustments and continued use of the exigent surcharge, would not only negatively impact the members of the Offering Envelope Association, but would also devastate the operations of the religious institutions our organization serves. First, hundreds of thousands of churches across the country would be forced to change the way they handle their mailers. These non-profit organizations would have no other option than to move from delivering envelopes monthly to only providing envelopes on an annual basis – an action that would hurt both the Offering Envelope Association members and the Postal Service at large. Second, such action may force nonprofit organizations to give up on offering envelopes entirely and convert to electronic giving. By doing so, the religious organizations the Offering Envelope Association serves would lose the opportunity to send envelopes to their congregants, which in turn would reduce the contributions these organizations receive to support their humanitarian efforts. Finally, if non-profit organizations are forced to eliminate the use of envelopes all together, the employees of the Offering Envelope Association and the Postal Service would suffer in the form of reduced compensation/benefits or termination of employment.

Summary

The Offering Envelope Association opposes the Postal Services' request for increased prices based on exigency provisions of the law. To allow this temporary surcharge to become permanent would result in long-term harm to the members of the Offering Envelope Association and the customers they service. Further, such an action, together with price adjustments to standard mail postage, would be detrimental to the Postal Service and its goal to become a more modern and effectively functioning enterprise.

There are other avenues in which the costs of the Postal Service, such as the overfunding of benefits, that can be pursued to avoid negatively impacting our members as well as the businesses and congregants they serve. We respectfully request that the Commission consider these measures before finalizing an action that will definitely result in a for all parties involved.

Respectfully submitted,

Jim Cline,
Executive Secretary - Offering Envelope Association